

# State Tax Commission

<b>DIVISION SUMMARY:</b>	<b>FY 2003 Total Appr</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Total Appr</b>	<b>FY 2005 Request</b>	<b>FY 2005 Gov Rec</b>	<b>FY 2005 Approp</b>
<b>BY PROGRAM</b>						
General Services	7,554,900	7,292,200	7,202,400	9,224,500	7,438,200	7,438,200
Audit and Collections	13,277,300	12,310,100	14,663,800	14,809,100	14,882,900	14,882,900
Revenue Operations	4,465,200	4,449,700	4,632,100	5,043,200	5,051,600	5,051,600
County Support	2,707,400	2,808,000	2,869,500	2,985,700	2,996,100	2,996,100
Total:	28,004,800	26,860,000	29,367,800	32,062,500	30,368,800	30,368,800
<b>BY FUND SOURCE</b>						
General	23,239,200	22,409,300	24,148,500	25,981,400	24,515,500	24,515,500
Dedicated	4,765,600	4,382,700	5,219,300	6,081,100	5,853,300	5,853,300
Federal	0	68,000	0	0	0	0
Total:	28,004,800	26,860,000	29,367,800	32,062,500	30,368,800	30,368,800
Percent Change:		(4.1%)	9.3%	9.2%	3.4%	3.4%
<b>BY EXPENDITURE CLASSIFICATION</b>						
Personnel Costs	20,326,400	19,335,100	21,295,400	22,270,600	22,457,300	22,457,300
Operating Expenditures	7,495,400	7,363,800	7,873,400	9,570,300	7,781,900	7,781,900
Capital Outlay	183,000	161,100	199,000	221,600	129,600	129,600
Total:	28,004,800	26,860,000	29,367,800	32,062,500	30,368,800	30,368,800
Full-Time Positions (FTP)	412.00	412.00	406.00	410.50	410.50	410.50

In accordance with Section 67-3519, Idaho Code, this division is authorized no more than 410.50 full-time equivalent positions at any point during the period July 1, 2004 through June 30, 2005 for the programs specified.

	<b>FTP</b>	<b>Gen</b>	<b>Ded</b>	<b>Fed</b>	<b>Total</b>
<b>FY 2004 Original Appropriation</b>	<b>406.00</b>	<b>24,148,500</b>	<b>5,219,300</b>	<b>0</b>	<b>29,367,800</b>
FTP or Fund Adjustment (Non-cognizable)	0.00	0	0	0	0
<b>FY 2004 Estimated Expenditures</b>	<b>406.00</b>	<b>24,148,500</b>	<b>5,219,300</b>	<b>0</b>	<b>29,367,800</b>
Transfer Between Programs	0.00	0	0	0	0
Removal of One-Time Expenditures	0.00	(92,500)	(38,600)	0	(131,100)
<b>FY 2005 Base</b>	<b>406.00</b>	<b>24,056,000</b>	<b>5,180,700</b>	<b>0</b>	<b>29,236,700</b>
Personnel Cost Rollups	0.00	379,200	67,900	0	447,100
Inflationary Adjustments	0.00	0	0	0	0
Replacement Items	0.00	0	83,600	0	83,600
Nonstandard Adjustments	0.00	(196,800)	(12,100)	0	(208,900)
Change in Employee Compensation	0.00	306,300	62,600	0	368,900
Fund Shifts	0.00	(29,200)	29,200	0	0
<b>FY 2005 Program Maintenance</b>	<b>406.00</b>	<b>24,515,500</b>	<b>5,411,900</b>	<b>0</b>	<b>29,927,400</b>
Enhancements	4.50	0	441,400	0	441,400
<b>FY 2005 Total</b>	<b>410.50</b>	<b>24,515,500</b>	<b>5,853,300</b>	<b>0</b>	<b>30,368,800</b>
Chg from FY 2004 Orig Approp.	4.50	367,000	634,000	0	1,001,000
% Chg from FY 2004 Orig Approp.	1.1%	1.5%	12.1%		3.4%

## I. State Tax Commission: General Services

**STARS Number & Budget Unit:** 352 TAAA, 352 TAAG(Cont), 352 TAAH(Cont), 352 TAAI

**Bill Number & Chapter:** H824 (Ch.207), H805 (Ch.282)

**PROGRAM DESCRIPTION:** Provide administrative support to the Department in the following areas: legal, accounting, purchasing, personnel and data processing.

<b>PROGRAM SUMMARY:</b>	<b>FY 2003 Total Appr</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Total Appr</b>	<b>FY 2005 Request</b>	<b>FY 2005 Gov Rec</b>	<b>FY 2005 Approp</b>
<b>BY FUND SOURCE</b>						
General	6,725,700	6,486,100	6,434,800	8,110,500	6,563,100	6,563,100
Dedicated	829,200	806,100	767,600	1,114,000	875,100	875,100
Total:	7,554,900	7,292,200	7,202,400	9,224,500	7,438,200	7,438,200
Percent Change:		(3.5%)	(1.2%)	28.1%	3.3%	3.3%
<b>BY EXPENDITURE CLASSIFICATION</b>						
Personnel Costs	3,989,300	3,936,100	3,869,100	4,216,700	4,251,100	4,251,100
Operating Expenditures	3,389,900	3,197,700	3,226,800	4,786,200	3,057,500	3,057,500
Capital Outlay	175,700	158,400	106,500	221,600	129,600	129,600
Total:	7,554,900	7,292,200	7,202,400	9,224,500	7,438,200	7,438,200
Full-Time Positions (FTP)	74.00	73.00	69.00	71.00	71.00	71.00
<b>DECISION UNIT SUMMARY:</b>	<b>FTP</b>	<b>General</b>	<b>Dedicated</b>	<b>Federal</b>	<b>Total</b>	
<b>FY 2004 Original Appropriation</b>	<b>69.00</b>	<b>6,434,800</b>	<b>767,600</b>	<b>0</b>	<b>7,202,400</b>	
Non-Cognizable Funds and Transfers	2.00	98,000	0	0	98,000	
<b>FY 2004 Estimated Expenditures</b>	<b>71.00</b>	<b>6,532,800</b>	<b>767,600</b>	<b>0</b>	<b>7,300,400</b>	
Removal of One-Time Expenditures	0.00	0	(38,600)	0	(38,600)	
Base Adjustments	0.00	115,500	7,300	0	122,800	
<b>FY 2005 Base</b>	<b>71.00</b>	<b>6,648,300</b>	<b>736,300</b>	<b>0</b>	<b>7,384,600</b>	
Personnel Cost Rollups	0.00	72,800	5,900	0	78,700	
Replacement Items	0.00	0	83,600	0	83,600	
Nonstandard Adjustments	0.00	(195,000)	(12,100)	0	(207,100)	
Change in Employee Compensation	0.00	61,300	6,700	0	68,000	
Fund Shifts	0.00	(24,300)	24,300	0	0	
<b>FY 2005 Maintenance (MCO)</b>	<b>71.00</b>	<b>6,563,100</b>	<b>844,700</b>	<b>0</b>	<b>7,407,800</b>	
3. Kootenai Local Option Tax	0.00	0	30,400	0	30,400	
<b>FY 2005 Total Appropriation</b>	<b>71.00</b>	<b>6,563,100</b>	<b>875,100</b>	<b>0</b>	<b>7,438,200</b>	
Change From FY 2004 Original Approp.	2.00	128,300	107,500	0	235,800	
% Change From FY 2004 Original Approp.	2.9%	2.0%	14.0%		3.3%	

**APPROPRIATION HIGHLIGHTS:** Personnel benefit costs were funded. No inflationary increases were funded. Replacement Items include non-General Fund expenditures for software and computer equipment. Nonstandard Adjustments reflect changes in Attorney General, Controller and Treasurer fees, and risk management rates. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805). Fund Shifts reallocate certain costs from General Fund to dedicated fund support, to reflect a more accurate cost allocation. The one enhancement funded in this program grants the dedicated funds spending authority necessary for the Tax Commission to administer Kootenai County's additional local option Sales Tax. The source of these dedicated funds is money taken "off the top" of the additional Kootenai County Sales Tax collections.

**OTHER LEGISLATION:** H802 increased the salary of tax commissioners by 2%. Supplemental funding for this line item for the FY 2005 Tax Commission budget may be addressed by the 2005 Legislature.

<b>FY 2005 APPROPRIATION:</b>	<b>FTP</b>	<b>Pers. Cost</b>	<b>Oper Exp</b>	<b>Cap Out</b>	<b>T/B Pymnts</b>	<b>Lump Sum</b>	<b>Total</b>
G 0001-00 General	64.30	3,826,400	2,666,700	70,000	0	0	6,563,100
D 0276-00 Multistate Tax Comp.	0.00	0	3,900	0	0	0	3,900
D 0338-01 Admin. Services	0.00	0	17,200	0	0	0	17,200
OT D 0338-01 Admin. Services	0.00	14,500	13,500	2,400	0	0	30,400
D 0338-02 Admin Transportation	6.70	410,200	276,000	0	0	0	686,200
OT D 0338-02 Admin Transportation	0.00	0	7,400	57,200	0	0	64,600
D 0401-00 Seminars and Publ.	0.00	0	28,400	0	0	0	28,400
D 0518-01 Abandoned Prop Trus	0.00	0	44,400	0	0	0	44,400
Totals:	71.00	4,251,100	3,057,500	129,600	0	0	7,438,200

## II. State Tax Commission: Audit and Collections

**STARS Number & Budget Unit:** 352 TAAB, 352 TAAF

**Bill Number & Chapter:** H824 (Ch.207), H805 (Ch.282)

**PROGRAM DESCRIPTION:** This program provides direct taxpayer service to the public from the administrative office in Boise and five field office locations; collects delinquent taxes and conducts audits on virtually all tax types administered by the agency by authority of Idaho Code and the Multi-State Tax Compact; conducts discovery and enforcement efforts directed at non-filers; and administers Idaho's unclaimed property statutes.

<b>PROGRAM SUMMARY:</b>	<b>FY 2003 Total Appr</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Total Appr</b>	<b>FY 2005 Request</b>	<b>FY 2005 Gov Rec</b>	<b>FY 2005 Approp</b>
<b>BY FUND SOURCE</b>						
General	10,209,600	9,496,300	11,103,200	10,887,700	10,950,800	10,950,800
Dedicated	3,067,700	2,745,800	3,560,600	3,921,400	3,932,100	3,932,100
Federal	0	68,000	0	0	0	0
Total:	13,277,300	12,310,100	14,663,800	14,809,100	14,882,900	14,882,900
Percent Change:		(7.3%)	19.1%	1.0%	1.5%	1.5%
<b>BY EXPENDITURE CLASSIFICATION</b>						
Personnel Costs	11,146,100	10,247,300	12,188,800	12,369,500	12,472,500	12,472,500
Operating Expenditures	2,125,500	2,061,700	2,382,500	2,439,600	2,410,400	2,410,400
Capital Outlay	5,700	1,100	92,500	0	0	0
Total:	13,277,300	12,310,100	14,663,800	14,809,100	14,882,900	14,882,900
Full-Time Positions (FTP)	223.00	223.00	229.00	227.50	227.50	227.50
<b>DECISION UNIT SUMMARY:</b>	<b>FTP</b>	<b>General</b>	<b>Dedicated</b>	<b>Federal</b>	<b>Total</b>	
<b>FY 2004 Original Appropriation</b>	<b>229.00</b>	<b>11,103,200</b>	<b>3,560,600</b>	<b>0</b>	<b>14,663,800</b>	
Non-Cognizable Funds and Transfers	(6.00)	(256,700)	0	0	(256,700)	
<b>FY 2004 Estimated Expenditures</b>	<b>223.00</b>	<b>10,846,500</b>	<b>3,560,600</b>	<b>0</b>	<b>14,407,100</b>	
Removal of One-Time Expenditures	0.00	(92,500)	0	0	(92,500)	
Base Adjustments	0.00	(158,800)	(7,300)	0	(166,100)	
<b>FY 2005 Base</b>	<b>223.00</b>	<b>10,595,200</b>	<b>3,553,300</b>	<b>0</b>	<b>14,148,500</b>	
Personnel Cost Rollups	0.00	199,200	50,600	0	249,800	
Nonstandard Adjustments	0.00	(1,500)	0	0	(1,500)	
Change in Employee Compensation	0.00	157,900	45,700	0	203,600	
<b>FY 2005 Maintenance (MCO)</b>	<b>223.00</b>	<b>10,950,800</b>	<b>3,649,600</b>	<b>0</b>	<b>14,600,400</b>	
2. Motor Carrier Audit from ITD	4.50	0	267,400	0	267,400	
3. Kootenai Local Option Tax	0.00	0	15,100	0	15,100	
<b>FY 2005 Total Appropriation</b>	<b>227.50</b>	<b>10,950,800</b>	<b>3,932,100</b>	<b>0</b>	<b>14,882,900</b>	
Change From FY 2004 Original Approp.	(1.50)	(152,400)	371,500	0	219,100	
% Change From FY 2004 Original Approp.	(0.7%)	(1.4%)	10.4%		1.5%	

**APPROPRIATION HIGHLIGHTS:** Personnel benefit costs were funded. No inflationary increases were funded. Nonstandard Adjustments include a decrease in leased office space costs at the Twin Falls office. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805). There are two enhancements funded in this program. The first reflects the transfer of the Motor Carrier Audit function from the Idaho Transportation Department to the State Tax Commission. The source of funds is fuel tax revenue. The second enhancement grants the dedicated funds spending authority necessary for the Tax Commission to administer Kootenai County's additional local option Sales Tax. The source of these dedicated funds is money taken "off the top" of the additional Kootenai County Sales Tax collections.

<b>FY 2005 APPROPRIATION:</b>	<b>FTP</b>	<b>Pers. Cost</b>	<b>Oper Exp</b>	<b>Cap Out</b>	<b>T/B Pymnts</b>	<b>Lump Sum</b>	<b>Total</b>
G 0001-00 General	173.30	9,424,100	1,526,700	0	0	0	10,950,800
D 0276-00 Multistate Tax Comp.	20.00	1,172,200	429,600	0	0	0	1,601,800
D 0338-01 Admin. Services	0.00	0	22,800	0	0	0	22,800
OT D 0338-01 Admin. Services	0.00	15,100	0	0	0	0	15,100
D 0338-02 Admin Transportation	26.30	1,442,800	307,400	0	0	0	1,750,200
D 0518-01 Abandoned Prop Trus	7.90	418,300	123,900	0	0	0	542,200
Totals:	227.50	12,472,500	2,410,400	0	0	0	14,882,900

### III. State Tax Commission: Revenue Operations

**STARS Number & Budget Unit:** 352 TAAC

**Bill Number & Chapter:** H824 (Ch.207), H805 (Ch.282)

PROGRAM DESCRIPTION: Administers the voluntary tax compliance program. Major activities are:

- Registering permit holders for sales, withholding, hotel/motel, special fuels, beer, wine, cigarette and tobacco taxes.
- Ensuring that all individuals and licensed businesses are mailed proper tax forms for reporting.
- Establishing taxpayer liability, as well as processing revenue and refund documents submitted by taxpayers.
- Maintaining a records system capable of providing individuals with tax documents.

<b>PROGRAM SUMMARY:</b>	<b>FY 2003 Total Appr</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Total Appr</b>	<b>FY 2005 Request</b>	<b>FY 2005 Gov Rec</b>	<b>FY 2005 Approp</b>
<b>BY FUND SOURCE</b>						
General	3,692,700	3,710,800	3,837,200	4,095,500	4,101,700	4,101,700
Dedicated	772,500	738,900	794,900	947,700	949,900	949,900
Total:	4,465,200	4,449,700	4,632,100	5,043,200	5,051,600	5,051,600
Percent Change:		(0.3%)	4.1%	8.9%	9.1%	9.1%
<b>BY EXPENDITURE CLASSIFICATION</b>						
Personnel Costs	3,068,200	3,003,700	3,067,400	3,408,000	3,436,700	3,436,700
Operating Expenditures	1,395,400	1,444,400	1,564,700	1,635,200	1,614,900	1,614,900
Capital Outlay	1,600	1,600	0	0	0	0
Total:	4,465,200	4,449,700	4,632,100	5,043,200	5,051,600	5,051,600
Full-Time Positions (FTP)	76.00	76.00	71.00	75.00	75.00	75.00
<b>DECISION UNIT SUMMARY:</b>	<b>FTP</b>	<b>General</b>	<b>Dedicated</b>	<b>Federal</b>	<b>Total</b>	
<b>FY 2004 Original Appropriation</b>	<b>71.00</b>	<b>3,837,200</b>	<b>794,900</b>	<b>0</b>	<b>4,632,100</b>	
Non-Cognizable Funds and Transfers	4.00	158,700	0	0	158,700	
<b>FY 2005 Base</b>	<b>75.00</b>	<b>3,995,900</b>	<b>794,900</b>	<b>0</b>	<b>4,790,800</b>	
Personnel Cost Rollups	0.00	64,300	11,400	0	75,700	
Change in Employee Compensation	0.00	46,400	10,200	0	56,600	
Fund Shifts	0.00	(4,900)	4,900	0	0	
<b>FY 2005 Maintenance (MCO)</b>	<b>75.00</b>	<b>4,101,700</b>	<b>821,400</b>	<b>0</b>	<b>4,923,100</b>	
3. Kootenai Local Option Tax	0.00	0	128,500	0	128,500	
<b>FY 2005 Total Appropriation</b>	<b>75.00</b>	<b>4,101,700</b>	<b>949,900</b>	<b>0</b>	<b>5,051,600</b>	
Change From FY 2004 Original Approp.	4.00	264,500	155,000	0	419,500	
% Change From FY 2004 Original Approp.	5.6%	6.9%	19.5%		9.1%	

APPROPRIATION HIGHLIGHTS: Personnel benefit costs were funded. No inflationary increases were funded. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805). Fund Shifts reallocate certain costs from General Fund to dedicated fund support, to reflect a more accurate cost allocation. The one enhancement funded in this program grants the dedicated funds spending authority necessary for the Tax Commission to administer Kootenai County's additional local option Sales Tax. The source of these dedicated funds is money taken "off the top" of the additional Kootenai County Sales Tax collections.

<b>FY 2005 APPROPRIATION:</b>	<b>FTP</b>	<b>Pers. Cost</b>	<b>Oper Exp</b>	<b>Cap Out</b>	<b>T/B Pymnts</b>	<b>Lump Sum</b>	<b>Total</b>
G 0001-00 General	63.95	2,771,200	1,330,500	0	0	0	4,101,700
D 0338-01 Admin. Services	0.00	53,000	25,000	0	0	0	78,000
OT D 0338-01 Admin. Services	0.00	78,300	50,200	0	0	0	128,500
D 0338-02 Admin Transportation	11.05	470,500	190,900	0	0	0	661,400
D 0401-00 Seminars and Publ.	0.00	0	18,300	0	0	0	18,300
D 0518-01 Abandoned Prop Trus	0.00	63,700	0	0	0	0	63,700
Totals:	75.00	3,436,700	1,614,900	0	0	0	5,051,600

#### IV. State Tax Commission: County Support

**STARS Number & Budget Unit:** 352 TAAD

**Bill Number & Chapter:** H824 (Ch.207), H805 (Ch.282)

PROGRAM DESCRIPTION: The County Support Program provides oversight and technical support in the administration of the property tax system, working to ensure fair, equitable, and accurate property taxation. The program is responsible: to annually appraise all class three operating property, as required by Section 63-2215, Idaho Code; to examine property tax levies of all taxing districts to ensure compliance with Idaho Code; to develop forms, procedures and computer software necessary for county assessors to appraise property; to develop an assessor's manual in order to facilitate uniformity of appraisals; and to administer property tax relief through the Circuit Breaker program.

<b>PROGRAM SUMMARY:</b>	<b>FY 2003 Total Appr</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Total Appr</b>	<b>FY 2005 Request</b>	<b>FY 2005 Gov Rec</b>	<b>FY 2005 Approp</b>
<b>BY FUND SOURCE</b>						
General	2,611,200	2,716,100	2,773,300	2,887,700	2,899,900	2,899,900
Dedicated	96,200	91,900	96,200	98,000	96,200	96,200
Total:	2,707,400	2,808,000	2,869,500	2,985,700	2,996,100	2,996,100
Percent Change:		3.7%	2.2%	4.0%	4.4%	4.4%
<b>BY EXPENDITURE CLASSIFICATION</b>						
Personnel Costs	2,122,800	2,148,000	2,170,100	2,276,400	2,297,000	2,297,000
Operating Expenditures	584,600	660,000	699,400	709,300	699,100	699,100
Total:	2,707,400	2,808,000	2,869,500	2,985,700	2,996,100	2,996,100
Full-Time Positions (FTP)	39.00	40.00	37.00	37.00	37.00	37.00
<b>DECISION UNIT SUMMARY:</b>						
	<b>FTP</b>	<b>General</b>	<b>Dedicated</b>	<b>Federal</b>	<b>Total</b>	
<b>FY 2004 Original Appropriation</b>	<b>37.00</b>	<b>2,773,300</b>	<b>96,200</b>	<b>0</b>	<b>2,869,500</b>	
Base Adjustments	0.00	43,300	0	0	43,300	
<b>FY 2005 Base</b>	<b>37.00</b>	<b>2,816,600</b>	<b>96,200</b>	<b>0</b>	<b>2,912,800</b>	
Personnel Cost Rollups	0.00	42,900	0	0	42,900	
Nonstandard Adjustments	0.00	(300)	0	0	(300)	
Change in Employee Compensation	0.00	40,700	0	0	40,700	
<b>FY 2005 Total Appropriation</b>	<b>37.00</b>	<b>2,899,900</b>	<b>96,200</b>	<b>0</b>	<b>2,996,100</b>	
Change From FY 2004 Original Approp.	0.00	126,600	0	0	126,600	
% Change From FY 2004 Original Approp.	0.0%	4.6%	0.0%		4.4%	

APPROPRIATION HIGHLIGHTS: Personnel benefit costs were funded. No inflationary increases were funded. Nonstandard Adjustments include a decrease in leased office space costs at the Twin Falls office. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805).

<b>FY 2005 APPROPRIATION:</b>	<b>FTP</b>	<b>Pers. Cost</b>	<b>Oper Exp</b>	<b>Cap Out</b>	<b>T/B Pymnts</b>	<b>Lump Sum</b>	<b>Total</b>
G 0001-00 General	37.00	2,297,000	602,900	0	0	0	2,899,900
D 0401-00 Seminars and Publ.	0.00	0	96,200	0	0	0	96,200
Totals:	37.00	2,297,000	699,100	0	0	0	2,996,100